British Columbia Offshore Oil and Gas Team

Project Plan

May 2003

A. Strategic Context

I. Mandate

The British Columbia Offshore Oil and Gas Team has been established to enable offshore oil and gas development to occur in British Columbia in a scientifically sound and environmentally responsible manner.

II. Principles

Within the context of British Columbia's November 2002 energy policy[1], and the commitment to develop British Columbia's Heartlands Economic Strategy, the British Columbia Offshore Oil and Gas Team will be guided by ten principles.

1. Offshore oil and gas development must be done in a scientifically sound and environmentally responsible manner.

2. Offshore oil and gas development must be consistent with British Columbia's ownership of and jurisdiction over these resources.

3. The Provincial government must meet its obligations regarding First Nations' rights and interests.

4. The Provincial government must consider the views of coastal residents in determining how to develop offshore oil and gas.

5. British Columbians must have access to accurate and understandable information about the potential benefits and risks associated with offshore oil and gas development.

6. Any offshore regulatory regime must be results based and deal with fiscal, environmental, operational and health and safety issues in a manner that is accountable and efficient.

7. Offshore oil and gas development must contribute to a strong and vibrant provincial economy and to healthy coastal communities.

8. Offshore oil and gas development must co-exist with fishing, tourism and other marine industries.

9. Offshore oil and gas development must support innovation and development in British Columbia's marine and leading edge industries.

10. The Provincial government must support a business climate that encourages private sector investment in the development of British Columbia's offshore resources.

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[1] British Columbia's energy policy as outlined in *Energy for our Future: A Plan for BC* includes: Low electricity rates and public ownership of BC Hydro; Secure, reliable supply; More private sector opportunities; Environmental responsibility and No nuclear power sources.

III. Goal

The British Columbia Offshore Oil and Gas Team will contribute to the province's Heartlands Economic Strategy by:

- providing the province with the information needed to make sound decisions on developing West Coast offshore oil and gas;
- creating the regulatory framework under which offshore oil and gas development may occur in British Columbia;
- fostering industry involvement in responsible resource exploration, development and production, and
- ensuring development provides benefits to First Nations and communities.

IV. Objectives

- Obtain the scientific, environmental, social and economic information needed to inform policy decisions regarding offshore oil and gas development.

- Involve First Nations in planning for offshore oil and gas development and ensure development reflects their legal and other interests.

- Involve coastal communities in planning for offshore oil and gas development and ensure development reflects their interests and views.

- Obtain the interests and views of industry, environmental leaders and other stakeholders and ensure development takes these into account.

- Develop the legal, regulatory and fiscal framework needed for responsible offshore oil and gas development.

- Work closely with the federal government to address offshore oil and gas development issues.

- Provide the public with full and accurate information about offshore oil and gas development.

V. Planning Context

The British Columbia Offshore Oil and Gas Team's service plan considers a number of factors that affect its operation. The most significant of these are outlined below.

- First Nations' rights and interests related to offshore oil and gas development are uncertain.
- The socio-economic impact of offshore oil and gas development on local values and existing commercial activities is undefined.
- Gaps in scientific, environmental and socio-economic knowledge hinder decision-making.
- Federal and provincial governments do not agree on ownership of some of the West Coast offshore oil and gas resources.
- Federal and provincial governments do not agree on the regulatory framework for development.
- Citizens question whether offshore oil and gas development can occur in an environmentally responsible manner.
- Offshore oil and gas investment decisions are made on a global scale.
- The public has access to limited factual information regarding the benefits and risks of offshore oil and gas development.
- British Columbia has significant experience regulating the in-shore oil and gas industry.
- The Government of British Columbia made a commitment to improve the fiscal and regulatory climate.
- British Columbia institutions have the ability to deliver additional training and education in new fields.
- Reports from the *Scientific Review Panel* and *Offshore Oil and Gas Task Force* make recommendations on how to proceed toward resource development.
- Government has created the British Columbia Offshore Oil and Gas Team to focus exclusively on offshore oil and gas development.

B. Strategic Directions

Key Initiatives: **Knowledge acquisition, analysis and sharing**

Objective	Strategies	Outputs	Targets	
			March 31, 2004	**March 31, 2005**
Obtain the scientific, environmental, social and economic information needed to inform policy decisions regarding offshore oil and gas development.	**Science and Environment** • Bring together existing key scientific data sets for the offshore (i.e. physical science; marine ecology; engineering; environmental impact and technological development)	• List of areas with highest perceived resource potential • List of sensitive areas, where exploration may be prohibited or restricted • Integrated, internet accessible GIS database	System designed and populated with 50% of key data sets	Database completed
		• Common Canada-British Columbia base map	Common base map completed and endorsed by federal and provincial users	
	• Commission research to fill knowledge gaps	• List of knowledge gaps		
	• Develop research partnerships	• Research agreements and partnerships	One (1) research partnership	

Key Initiatives: **Knowledge acquisition, analysis and sharing**

Objective	Strategies	Outputs	Targets	
			March 31, 2004	**March 31, 2005**
Obtain the scientific, environmental, social and economic information needed to inform policy decisions regarding offshore oil and gas development.	**Social and economic** • Bring together knowledge about the economic and social impact of offshore oil and gas development (dynamics of coastal economies; impact on communities of development activity)	• Integrated intranet database housing social and economic information • List of knowledge gaps • Plan to fill knowledge gaps	Database designed and population commenced Plan being used to inform research decisions	Database maintained and refined
	• Assess benefits/risks models • Commission research to fill knowledge gaps	• Community-focused benefits and risks framework	Draft Framework completed	Framework being used
	• Develop research partnerships	• Research agreements and partnerships	Existing partnerships assessed against mandate and deliverables	

Key initiatives: **First Nations**

Objective	Strategies	Outputs	Targets	
			March 31, 2004	March 31, 2005
Involve First Nations in planning for offshore oil and gas development and ensure development reflects their legal and other interests.	• Meet directly with First Nations early in the information and development cycle to identify their interests in offshore oil and gas development	• Mutually acceptable approach to exchanging views and defining expectations		
	• Engage First Nations in identifying the basis for acceptable offshore oil and gas development	• Arrangements with First Nations defining their participation in offshore oil and gas development	Draft arrangements established between First Nations and British Columbia related to proceeding with offshore oil and gas development	Formal arrangements finalized Positive public statement by First Nation representative(s) related to Offshore Oil and Gas
	• Engage federal government regarding First Nations involvement in the development of offshore oil and gas	• Federal - Provincial arrangement re: federal responsibilities associated with First Nations interests in the development of offshore oil and gas	Draft arrangement established among British Columbia, Canada and First Nations related to proceeding with offshore oil and gas development	Formal arrangement finalized
		• Options and models for government decision, including benefit sharing (eg. endowment fund, direct payments)		Development plans reflect First Nations interests and conditions (post 2005)

Key Initiatives: Communities

Objective	Strategies	Outputs	Targets	
			March 31, 2004	March 31, 2005
Involve coastal communities in planning for offshore oil and gas development and ensure development reflects their interests and views.	• Engage coastal community members, local and regional governments in identifying and clarifying community expectations related to offshore oil and gas development	• Regionally sensitive outreach plan	Regional outreach completed in 100% of regional centers	
		• Community-sensitive outreach plan(s) for designated areas	Community outreach plans completed for all designated areas	Community outreach completed in 100% of the designated areas
		• Community-focused benefits and risks framework	Draft Framework completed	Refined Framework
			Draft arrangements established with coastal communities, local and regional governments related to proceeding with offshore oil and gas development	Final Arrangements
		• Options and models for government decision		Development plans reflect views of coastal communities

Key Initiatives: Regulatory and legal

Objective	Strategies	Outputs	Targets	
			March 31, 2004	March 31, 2005

Develop the legal, regulatory and fiscal framework needed for responsible offshore oil and gas development.	• Assess existing:
	  • offshore environmental, regulatory, health and safety regimes;
	  • offshore oil and gas tenures, terms and conditions;
	  • offshore fiscal and royalty structures;
	  • environmental assessment procedures
		• Provincial option(s) on a regulatory and legal framework for offshore oil and gas development
		
		• Fiscal and royalty options
			Provincial position(s) formulated for government decision
			
			Fiscal and royalty options formulated for government decision
				Implement Cabinet decisions

Key Initiatives: External and international

Objective	Strategies	Outputs	Targets	
			March 31, 2004	March 31, 2005
Obtain the interests and views of environmental leaders and other stakeholders and ensure development takes these into account.	• Meet with environmental groups and stakeholders to clarify issues, concerns and interests. • Identify key environmental sector contacts and validators. • Work towards an approach that integrates conservation and development.	• Maps showing 'go' and 'no go' areas • Issue regular Bulletins outlining issues and actions • Public event involving validators	'Go' and 'no-go' areas identified Two *Bulletins* issued Public event held	Four *Bulletins* issued

Key Initiatives: External and international

Objective	Strategies	Outputs	Targets	
			March 31, 2004	March 31, 2005
Obtain the interests and views of industry in developing 'rules of the game' for exploration and development.	• Meet with industry, to clarify issues, concerns and interests. • Emphasize commitment to work with industry. • Develop common planning framework, including technical timeline for seismic	• Draft Common Planning Framework	Draft Common Planning Framework	Seismic studies commence

Key Initiatives: Federal/provincial

Objective	Strategies	Outputs	Targets	
			March 31, 2004	March 31, 2005
Work closely with the federal government to address offshore oil and gas development issues.	• Work co-operatively with Canada ton federal public review of British Columbia Offshore	• Provincial input to federal review (science, public, First Nations)	Provincial response to results of federal public review	
Participate in Atlantic Round Table	• Review and assess inter-governmental regulatory structures and relationships in other jurisdictions vis-à-vis offshore oil and gas development	• Survey of existing inter-governmental regulatory structures and relationships related to offshore oil and gas development and management	Survey report	
	• Engage federal representatives in discussions essential to offshore oil and gas development	• Recommendations on inter-governmental arrangements for use in British Columbia regarding offshore oil and gas development and management	Arrangements established between British Columbia and Canada regarding development of British Columbia's offshore oil and gas resource	Agreement-in-Principle with Canada and First Nations on fiscal, regulatory regime

Key initiatives: Public information/communication

Objective	Strategies	Outputs	Targets	
			March 31, 2004	March 31, 2005

Provide the public with full and accurate information about offshore oil and gas development.	• Develop integrated, measurable communications strategy
	• Make broad-spectrum of information easily available
	• Early in discussions with external bodies, agree on way to publicly disclosure information
	• Develop Web site
		• Accessible information related to offshore oil and gas
		  • Diverse tools with consistent look and feel
		  • Consistent, multi-partner information products
		  • Web site
			Increase awareness and understanding of offshore oil and gas development
			Measurement and adjustment of communications strategy
			Offshore Oil and Gas Team recognized as reliable source of information
			Web site maintained and measured to enhance usefulness
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